



## NEWS RELEASE



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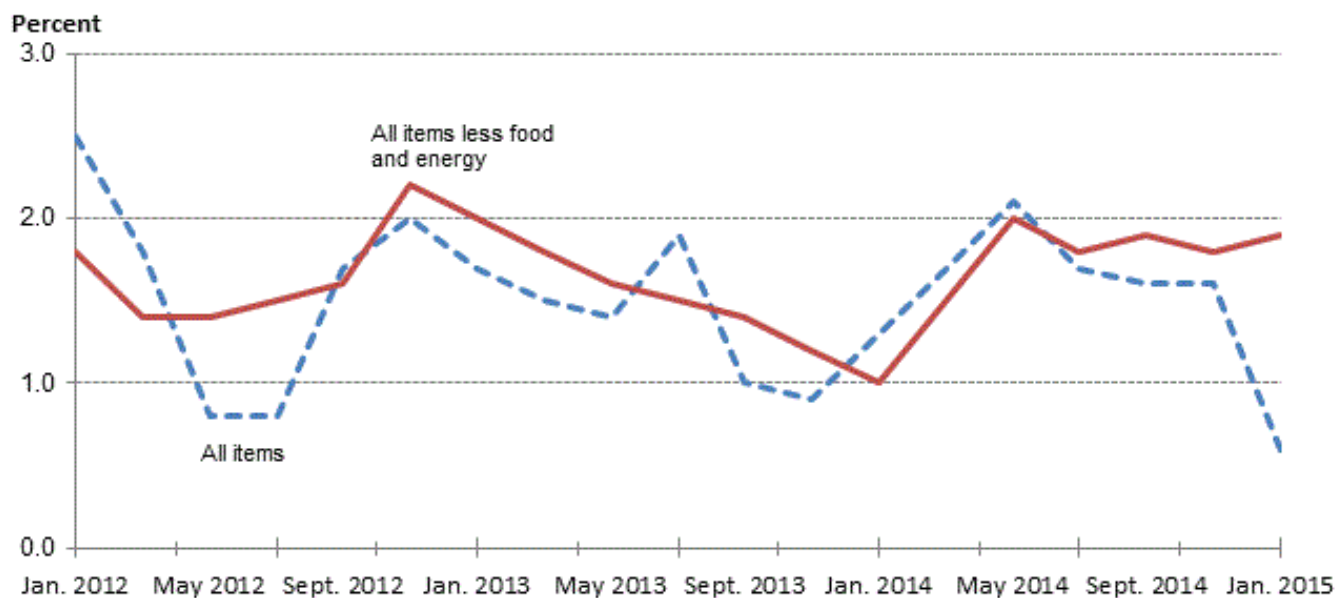
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### **Consumer Price Index, Boston-Brockton-Nashua - January 2015** **Area prices down 0.7 percent over two months; edged up from a year ago**

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Brockton-Nashua area was down 0.7 percent in January, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Deborah A. Brown noted that the two-month decrease was mainly due to lower prices for gasoline, down 23.8 percent over two months. Higher prices paid by area consumers for food partially moderated this decrease. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

Over the last 12 months the Boston CPI-U rose 0.6 percent. The increase was largely attributable to higher shelter prices, up 3.0 percent. (See [chart 1](#).) Lower energy prices paid by area consumers, down 12.8 percent, partially offset the modest increase.

**Chart 1. Over-the-year percent change in CPI-U, Boston-Brockton-Nashua, January 2012 - January 2015**



Source: U.S. Bureau of Labor Statistics.

## Food

Food prices were up 1.0 percent since November due to higher grocery store prices, also known as food at home, up 1.2 percent. Contributing to this rise, but to a lesser degree, food away from home, or restaurant prices, edged up 0.6 percent.

From January 2014 to January 2015 the index for food rose 1.7 percent mainly due to higher grocery store prices (+2.0 percent) and, to a lesser extent, higher restaurant prices (+1.1 percent).

## Energy

The energy index was down 9.6 percent over the two months, mainly due to gas price decreases. Area motorists paid \$2.297 per gallon of gasoline in January. This decrease was partially offset by higher electricity prices, up 10.9 percent from November.

Energy prices were down 12.8 percent from a year ago, attributable to lower gasoline prices, down 33.9 percent. Partially offsetting this decline was a 29.9-percent advance in local electricity prices. The January increase in local electricity prices was the largest since a 30.0-percent increase was recorded in April of 2006.

## All items less food and energy

The index for all items less food and energy was unchanged in January. Increases in the indexes for education and communication (+1.6 percent) and recreation (+1.0 percent) were offset by decreases in the prices paid for apparel (-2.4 percent).

Over the year, the index for all items less food and energy rose 1.9 percent, with higher shelter costs, rising 3.0 percent from January 2014, being the main cause of this increase. This marked the 43<sup>rd</sup> consecutive annual increase in the local shelter index. Contributing to the over-the-year rise in the all items less food and energy index, prices for medical care were up 2.9 percent from January 2014.

## **CPI-W**

In January, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 254.407. The CPI-W was down 0.6 percent over two months and rose 0.1 percent over the year.

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**The March 2015 Consumer Price Index for Boston-Brockton-Nashua is scheduled to be released on Friday, April 17, 2015, at 8:30 a.m. (ET).**

## **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living.

Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price change from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only**

**measure the average change in prices for each area since the base period.**

The Boston-Brockton-Nashua, Mass.-N.H.-Maine-Conn. consolidated area covered in this release is comprised of Essex, Middlesex, Norfolk, Plymouth and Suffolk Counties and parts of Bristol, Hampden, and Worcester Counties in Massachusetts; parts of Hillsborough, Merrimack, Rockingham, and Strafford Counties in New Hampshire; part of York County in Maine; and part of Windham County in Connecticut.

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**Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Brockton-Nashua, Ma.-N.H.-Maine-Conn., (1982-84=100 unless otherwise noted) (not seasonally adjusted)**

| Expenditure category  | Indexes         |           |           |           | Percent change from |           |           |
|---|-----------------|-----------|-----------|-----------|---------------------|-----------|-----------|
|   | Historical data | Nov. 2014 | Dec. 2014 | Jan. 2015 | Jan. 2014           | Nov. 2014 | Dec. 2014 |
| All items .....   |                 | 256.262   |           | 254.556   | 0.6                 | -0.7      |           |
| All items (1967 = 100) .....  |                 | 744.833   |           | 739.873   |                     |           |           |
| Food and beverages .....  |                 | 252.097   |           | 254.439   | 1.7                 | 0.9       |           |
| Food .....  |                 | 252.201   |           | 254.776   | 1.7                 | 1.0       |           |
| Food at home .....  |                 | 243.441   | 245.234   | 246.456   | 2.0                 | 1.2       | 0.5       |
| Food away from home .....   |                 | 266.552   |           | 268.272   | 1.1                 | 0.6       |           |
| Alcoholic beverages .....   |                 | 254.396   |           | 254.365   | 2.0                 | 0.0       |           |
| Housing .....   |                 | 255.285   |           | 256.155   | 3.2                 | 0.3       |           |
| Shelter .....   |                 | 295.641   | 295.915   | 295.784   | 3.0                 | 0.0       | 0.0       |
| Rent of primary residence <sup>(1)</sup> .....                            |                 | 305.536   | 306.443   | 307.346   | 2.6                 | 0.6       | 0.3       |
| Owners' equivalent rent of residences <sup>(1) (2) (3)</sup> .....        |                 | 314.572   | 316.549   | 317.139   | 3.3                 | 0.8       | 0.2       |
| Owners' equivalent rent of primary residence <sup>(1) (2) (3)</sup> ..... |                 | 314.572   | 316.549   | 317.139   | 3.3                 | 0.8       | 0.2       |
| Fuels and utilities .....   |                 | 280.444   |           | 285.501   | 7.7                 | 1.8       |           |
| Household energy .....  |                 | 240.231   | 236.971   | 245.166   | 8.6                 | 2.1       | 3.5       |
| Energy services <sup>(1)</sup> .....                                      |                 | 240.049   | 240.057   | 255.333   | 21.5                | 6.4       | 6.4       |
| Electricity <sup>(1)</sup> .....  |                 | 250.453   | 250.453   | 277.768   | 29.9                | 10.9      | 10.9      |
| Utility (piped) gas service <sup>(1)</sup> .....                          |                 | 214.262   | 214.284   | 207.157   | 5.0                 | -3.3      | -3.3      |
| Household furnishings and operations .....                                |                 | 127.113   |           | 128.224   | -0.6                | 0.9       |           |
| <b>Apparel</b> .....  |                 | 148.429   |           | 144.833   | 3.0                 | -2.4      |           |
| Transportation .....  |                 | 198.617   |           | 182.833   | -11.3               | -7.9      |           |
| Private transportation .....  |                 | 195.175   |           | 180.855   | -11.9               | -7.3      |           |
| Motor fuel .....  |                 | 255.220   | 235.814   | 194.587   | -33.9               | -23.8     | -17.5     |
| Gasoline (all types) .....  |                 | 252.153   | 232.966   | 192.176   | -33.9               | -23.8     | -17.5     |
| Gasoline, unleaded regular <sup>(4)</sup> .....                           |                 | 246.919   | 227.795   | 187.036   | -35.1               | -24.3     | -17.9     |
| Gasoline, unleaded midgrade <sup>(4) (5)</sup> .....                      |                 | 265.428   | 245.118   | 204.163   | -31.4               | -23.1     | -16.7     |

Note: See footnotes at end of table.

**Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Brockton-Nashua, Ma.-N.H.-Maine-Conn., (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued**

| Expenditure category                              | Indexes         |           |           |           | Percent change from |           |           |
|---|-----------------|-----------|-----------|-----------|---------------------|-----------|-----------|
|   | Historical data | Nov. 2014 | Dec. 2014 | Jan. 2015 | Jan. 2014           | Nov. 2014 | Dec. 2014 |
| Gasoline, unleaded premium <sup>(4)</sup> .....   |                 | 256.425   | 239.013   | 200.324   | -29.6               | -21.9     | -16.2     |
| <b>Medical care</b>                               |                 | 597.061   |           | 598.852   | 2.9                 | 0.3       |           |
| <b>Recreation <sup>(6)</sup></b>                  |                 | 114.268   |           | 115.464   | 1.4                 | 1.0       |           |
| <b>Education and communication <sup>(6)</sup></b> |                 | 148.429   |           | 150.755   | 1.1                 | 1.6       |           |
| <b>Other goods and services</b>                   |                 | 447.550   |           | 445.613   | 2.6                 | -0.4      |           |

Note: See footnotes at end of table.

**Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Brockton-Nashua, Ma.-N.H.-Maine-Conn., (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued**

| Expenditure category                               | Indexes         |           |           |           | Percent change from |           |           |
|--|-----------------|-----------|-----------|-----------|---------------------|-----------|-----------|
|  | Historical data | Nov. 2014 | Dec. 2014 | Jan. 2015 | Jan. 2014           | Nov. 2014 | Dec. 2014 |
| Commodity and service group .....                  |                 |           |           |           |                     |           |           |
| Commodities .....                                  |                 | 192.729   |           | 187.958   | -3.9                | -2.5      |           |
| Commodities less food and beverages .....          |                 | 161.229   |           | 152.980   | -8.1                | -5.1      |           |
| Nondurables less food and beverages .....          |                 | 212.620   |           | 195.604   | -11.4               | -8.0      |           |
| Durables .....                                     |                 | 111.193   |           | 111.149   | -2.3                | 0.0       |           |
| Services .....                                     |                 | 313.173   |           | 314.476   | 3.4                 | 0.4       |           |
| Special aggregate indexes .....                    |                 |           |           |           |                     |           |           |
| All items less shelter .....                       |                 | 243.442   |           | 240.982   | -0.6                | -1.0      |           |
| All items less medical care .....                  |                 | 242.973   |           | 241.174   | 0.4                 | -0.7      |           |
| Commodities less food .....                        |                 | 164.916   |           | 157.023   | -7.5                | -4.8      |           |
| Nondurables .....                                  |                 | 231.136   |           | 223.969   | -4.4                | -3.1      |           |
| Nondurables less food .....                        |                 | 214.302   |           | 198.830   | -10.2               | -7.2      |           |
| Services less rent of shelter <sup>(2)</sup> ..... |                 | 350.181   |           | 353.013   | 3.8                 | 0.8       |           |
| Services less medical care services .....          |                 | 293.808   |           | 295.042   | 3.5                 | 0.4       |           |
| Energy .....                                       |                 | 245.031   | 234.771   | 221.409   | -12.8               | -9.6      | -5.7      |
| All items less energy .....                        |                 | 261.028   |           | 261.386   | 1.8                 | 0.1       |           |
| All items less food and energy .....               |                 | 263.285   |           | 263.196   | 1.9                 | 0.0       |           |

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Indexes on a December 1982=100 base.

<sup>(3)</sup> This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

<sup>(4)</sup> Special index based on a substantially smaller sample.

<sup>(5)</sup> Indexes on a December 1993=100 base.

<sup>(6)</sup> Indexes on a December 1997=100 base.

Note: Index applies to a month as a whole, not to any specific date.